

CENTRAL INTELLIGENCE AGENCY
INFORMATION REPORT

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COUNTRY	Hungary	REPORT	
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THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.
 THE APPRAISAL OF CONTENT IS TENTATIVE.
 (FOR KEY SEE REVERSE)

1. Work Stopped on New Power Stations.

All work on power stations under construction was suddenly stopped at the beginning of July 1954, with the exception of Berente and Inóta. Even the new Sztalinváros and Tiszapalkonya power stations are at a standstill.

2. Iron and Steel Output.

a. Crude Iron:

Diósgyőr: Previously 240 tons per day, but with the new 700 cu. m. blast furnace, it is 540 tons per day.¹

Ózd: 300 tons per day.²

Sztalinváros: 300 tons per day.³

b. Steel:

Sztalinváros: One Martin furnace with 135 tons per 8 hours. Eight similar furnaces planned, but building has stopped on the second.

3. Chemical Factories.

- a. The Péti Chemical Works are being enlarged to double the previous capacity.
- b. The Borsod Chemical Works (near Kazincbarcika) are to have the same capacity as the Péti Works after enlargement.

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- c. The Bábony factory was planned to have three times the capacity of Fűzfő. However, all the mixing, stirring, etc. receptacles started to leak when tested and were unusable, so that the whole installation will have to be replaced with new, acid-proof material of better quality.

4. Passenger Car Production.

The Csepel Automobile Factory has designed a four-seater car with a 1.5 liter engine, to sell for 36,000 forints. The prototype of this car is completed. The factory is to be ready for production in 1955, and it is planned to manufacture 6,000 of these cars annually.

5. Sztalinváros Construction Work.

- a. All construction work has stopped at Sztalinváros and is not to be resumed until the end of 1955.
- b. As an example of the quality of the buildings, on the night of 7 August 1954, a balcony of one of the apartment houses collapsed, taking with it the balcony below. It was then discovered that no girders had been built in.

Comment: These quantities are the maximum ones. At Sztalinváros construction work has stopped on the second blast furnace. Four of these furnaces were planned.

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